

DEFENSE LOGISTICS AGENCY

SEPTEMBER – OCTOBER 2014

# LOGLINES



**CRUSHING  
LOGISTICS  
CHALLENGES**



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from the

# DIRECTOR

**Navy Vice Adm. Mark Harnitchek, USN  
Director, Defense Logistics Agency**

In May, Deputy Under Secretary of Defense for Acquisition, Technology and Logistics Frank Kendall awarded DLA our seventh Joint Meritorious Unit Award. The award – the second-highest award a military organization can receive – recognized DLA for the exceptional support we provided to warfighters, federal agencies, our foreign partners and those suffering in the wake of natural disasters from November 2011 to December 2012.

Whether figuring out how to get material to warfighters in Afghanistan when the routes through Pakistan closed or speeding the delivery of gas, food, water, blankets, generators and pumps after Hurricane Sandy, you proved what DLA can do. But DLA doesn't just confront the "front-page" logistics challenges like a superstorm. We tackle all the challenges, big and small, because we're a world-

class logistics outfit, and that's what world-class outfits do; they win. And the DLA team is ready for anything that comes our way. We're making history every day in our efforts to significantly improve performance while dramatically reducing cost.

In this issue of Loglines, we're looking at the big things we've made to better support our warfighters. We've dramatically decreased the amount of time it takes to award a contract, making us far more responsive. When the Secretary of Defense told us to partner with our shipmates in industry, we amplified those conversations with our Captains of Industry meetings and improved performance and decreased cost in a big way. Our supply chains are making routine use of reverse auctions to price contracts and have already saved more than \$2 billion. On the inventory front, we've rightsized what we carry to ensure that the inventory we do have works harder, like it's supposed to. This has resulted in one-third less inventory

and a corresponding decrease in the warehousing we need to keep it. And all those savings in material and operations go right back to the services in terms of a DLA that's more effective but costs less. These are some of the big things we're doing here that will pay huge dividends. The JMUA is recognition of that. So keep doing what you're doing, take care of one another and keep promises to those we serve. ☐



## LOGLINES

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# SWITCH TO SAVINGS

Story by Sara Moore

**A**nyone who has to fill up a vehicle on a regular basis knows that when it comes to fuel costs, any savings is welcome. That's especially true for the Defense Logistics Agency, which buys more than 4 billion gallons of fuel each year for its customers.

After several years of work, DLA is in the final stages of switching from providing military-specification "JP-8" jet fuel in the continental United States to commercial-grade jet fuel – "Jet A" with additives, also referred to by its NATO designation, F-24 – and the savings are already adding up.

DLA's push to convert the military services from JP-8, the military-specification fuel, to commercial-grade Jet A fuel dates back more than 10 years, when the first feasibility studies were conducted.

By October, all of the agency's customers in the continental U.S. that are able to use Jet A fuel will be converted, said Bruce Blank, deputy director for acquisition in DLA Energy supplier operations.

While the full measure of the fuel savings has yet to be seen, as of July, DLA had saved about \$25 million on its most recent two regional purchases, which totaled about 500 million gallons of Jet A fuel, Blank said. That equates to a savings of five to six cents per gallon, he said.

"When we ran the numbers, I was surprised it was that high, because we had only converted certain supply chains, and it wasn't fully developed," he said. "If we sustain that five- to six-cent savings over time for the 1.3 billion gallons of jet fuel purchased in the U.S., that's a substantial savings."

The savings come from increased competition among suppliers, which drives down prices, as well as reduced transportation and infrastructure costs, Blank said. Using commercial-grade jet fuel means any supplier that makes jet fuel for the commercial industry





"When we ran the numbers, I was surprised it was that high, because we had only converted certain supply chains, and it wasn't fully developed."

— Bruce Blank

Reyes Porfirio carries a fuel hose toward a C-130 Hercules aircraft at Marine Corps Air Station Miramar, California. DLA will be able to save its customers money and time by switching from military-grade to commercial-grade jet fuel.

— Photo by Marine Cpl. Jamean R. Berry



Navy Seaman Ryan McLeanon

can now compete on DLA Energy contracts for military jet fuel. In the past, the extra requirements for military-specification fuel kept many suppliers out of the market and reduced DLA's supplier pool, he noted. Jet A fuel can also travel in the same pipelines as commercial jet fuel and does not need to be stored separately, further driving down costs for DLA.

An added benefit of expanding the supplier base for jet fuel is opening up the possibility of more vendor-direct purchases, which can help reduce infrastructure and transportation costs, said Linda Barnett, deputy director of customer operations in DLA Energy. The commercial marketplace for jet fuel is designed for high throughput, she said. And although DLA's customers would have benefited from access to this expanded pool of facilities and services, the agency was restricted because of the requirement to use military-specification fuel.

"I think expanding distribution capability going forward enables vendor-direct [shipments] from closer commercial distribution locations beyond what we have today. It really opens opportunities for us to look differently at ways to improve our customer support," Barnett said.

DLA Energy is already looking into providing vendor-direct purchases for customer locations at the end of long supply chains, where transportation costs become magnified, Blank said. If a supplier could deliver the fuel complete with required additives directly to the customer location, it could save DLA money, he said.

As Jet A fuel replaces JP-8, the transition has been relatively seamless from the end user's perspective, said Mike Domen, a chemist with DLA Energy-Quality. The main difference in specification properties between the

**Navy Petty Officer 3rd Class Henry Flowers** opens a valve to transfer jet fuel to the flight deck aboard the USS Harry S. Truman. As of October, all of DLA's customers in the continental U.S. will be using commercial-grade Jet A fuel in lieu of military-grade fuel.

Navy Seaman Alexander Filippone tests a jet fuel sample for water and sediments in the fuel analysis lab aboard the USS John C. Stennis while underway in the Persian Gulf. DLA and the military services went through extensive testing with Jet A fuel before switching from military-grade jet fuel.

two fuels is the freezing point, which is warmer for Jet A than for JP-8, which could potentially have an effect on certain long-range, high-altitude missions on which extreme cold weather is encountered. While the two fuel types may have minor physical or chemical differences, they both perform virtually the same in aircrafts' fuel systems and engines, he said. Before the conversion, DLA Energy coordinated with counterparts at the service control points and military research facilities to evaluate each aircraft's capabilities and limitations, he said. This resulted in all but a few being able to use the commercial fuel in all mission situations. Those aircraft that aren't able to use Jet A as a primary fuel will continue to use JP-8, he noted.

Some challenges have arisen in educating customers on the conversion, Barnett said. Many customers did not fully understand the change or had concerns about specification differences and logistics, she said. Education and open dialogue have been key, because

Navy Petty Officer 3rd Class Kenneth Abbate



while it is a different fuel with a new name and designation, it performs virtually the same as JP-8, uses the same additives, and saves everyone money.

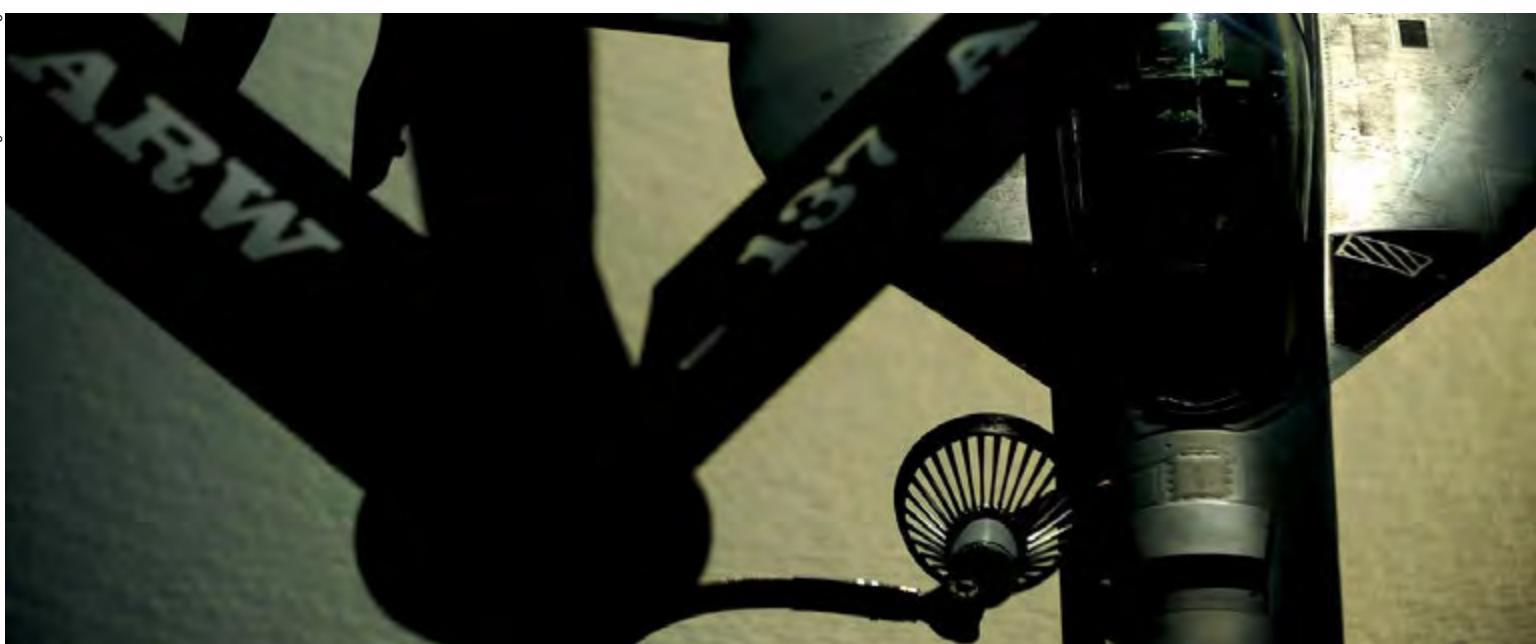
"We work closely with service control points to get the word out so people will understand what the replacement fuel is and that it's really basically the same fuel, it's just a little bit cheaper," Blank said.

Now that DLA Energy has converted all its customers in the continental U.S. to Jet A fuel, it is looking into

converting customers in Hawaii, Blank said. Customers in Alaska will not convert to Jet A fuel, because of the lower temperatures and high-altitude missions performed there, but will begin to use Jet A1, which is the international version of Jet A fuel and has the same freezing point as JP-8, he said. ☀

A KC-135 Stratotanker aircraft delivers fuel to a Navy F/18F Super Hornet fighter jet. DLA's switch to commercial-grade Jet A fuel will expand the industrial base and mean lower prices for military customers.

Air Force Staff Sgt. Kamalle O. Long





# RIGHTSIZING: MAKING SPACE

Story by Amanda Neumann

**T**he Defense Logistics Agency is taking several steps toward rightsizing its inventory and infrastructure by reducing stock to \$10.9 billion in fiscal 2014 and eliminating 2 million gross square feet of warehouse space by fiscal 2019.

DLA has been working steadily on the effort since DLA Director Navy Vice Adm. Mark Harnitcheck launched the “Big Ideas” initiative in 2012, said Barry Christensen, chief of the DLA Logistics Operations’ Supply and Demand Planning Branch. Harnitcheck has described this initiative as cleaning out the attic.

“As it stands right now, our inventory is at \$11.9 billion,” Christensen said. “So we still have to pursue some strategies to dispose of another \$1 billion in inventory by the end of September. The easy stuff has already been done. We’ve already done \$800 million in disposals this fiscal year and \$5 billion worth of inventory disposals since fiscal 2012. In addition to taking prudent risks in reducing

economic and contingency retention stock, [Harnitcheck] has asked us to look at our projected demand reductions and the lead times we use to award contracts.”

Christensen added that “disposed” items are turned over to DLA Disposition Services, which makes the materials available for reuse or sale.

By fiscal 2019, agency leaders hope to trim the organization’s footprint in half and take its inventory levels down to \$6 billion, Christensen said. But a big part of that effort lays in future customer demands. DLA direct sales have dropped 26 percent since fiscal 2010, he said, adding that an additional 5 percent decline over the next two years has already been forecast.

“Not being involved in two wars has been a major driver of the significant decline in demand,” he said. “Typically, we think of forecasting as how much am I going to buy to support the upcoming demand? But in this case, it’s how much am I going to keep? So now, we’re playing





with all of these different parameters to say, 'OK, how much can we dispose of?' Because the quickest way for us to reduce inventory is to hit the disposal button. But it's a fine line. You need to take some risk, but you want to minimize having to buy inventory back."

Other efforts involve process improvements to reduce the inflow of unneeded inventory, like reducing lead times in awarding procurement contracts.

"Once you've initiated procurement and obligated the money, if demand dies down, you can become stuck with [excess inventory], especially if it's a large procurement," he said. "Our 'Time to Award' initiative can shorten the award time, allowing for a smaller window of opportunity for things to change. We've also done some changes with our order quantities. If you

**"We have found that when the services conduct these reviews, their disposal recommendations have been fairly aggressive. So there is value to this collaboration"**

*— Barry Christensen*

buy a smaller duration, like buying three months' worth and not two years' worth, your exposure to that demand decline is lessened quite a bit. These are key proactive things that we can work on to not fill up the attic and save money into the future."

Another area agency leaders hope to make strong headway in is contingency stock retention, which includes more than 180 temporary weapon system exclusions, Christensen said.

"This has been a challenge for us since in these exclusions, the services ask us to never throw anything out that's coded to particular weapon systems," he said. "That means all of those items, regardless of how much we have on hand, are currently protected against disposal, yet many have no economic basis for keeping all the stock."

Defense Department policy requires

**Cleaning unneeded material out of DLA's inventories will lead to savings in internal infrastructure costs.**

the military services to conduct annual reviews of their exclusions to help avoid unnecessary long-term protection and free up more items for disposal review.

"We have \$510 million of these types of items awaiting review," Christensen said. "So a lot of our inventory is currently tied up and pending the reviews that the services are doing on those items. We have found that when the services conduct these reviews, their disposal recommendations have been fairly aggressive. So there is value to this collaboration."

The last category for reduction is aimed at DLA's economic retention stock levels. These levels are calculated by comparing the overall cost of storing an item against the likely cost of buying it in the future, Christensen said.

In San Joaquin, California, demolition has started on several Army-owned warehouses as part of an infrastructure reduction effort between DLA and the military services. DLA is working with the military services nationwide to clear out unneeded inventory and procure funds to demolish aging warehouses.

— Photo courtesy of DLA Installation Support San Joaquin, California





Marine Sgt. John Jackson

Marine Lance Cpl. Marla Crenshaw enters national stock numbers into a system at the shipping and receiving section at Camp Leatherneck, Afghanistan. DLA Aviation's inventory-reduction model identifies and scores eight risk factors for each individual NSN, helping the agency weigh the risk of disposing of that item.

inventory. So despite a disposal rate of \$5 billion, our net change in inventory is lower, since it's offset by those transfers and also our customer returns."

Officials are tentatively projecting an additional \$1 billion in inventory reductions per year through fiscal 2019, Christensen said. He added that the agency needs to have "smarter working inventory" and maintain its high material availability and operational readiness rates for customers.

"It will be a challenge, and there is no perfect equation," he said. "But there are pockets of opportunities within each of these buckets to penetrate below the retention limit, and that's what we're trying to find. And it takes time. We just have to choose the right mix of items to reduce that will minimize the rebuy, as well as the operational risk of not having it on the shelf."

An inventory-reduction model built in 2013 is helping DLA Aviation identify and weigh the risks of its inventory-disposal efforts each month, said Steve Siewert, acting division chief of DLA Aviation's Business Optimization and Logistics Planning Division.

"IRIS, the inventory risk indicator score, looks at eight risk factors for each individual [national stock number]," he said. "Basically it asks, 'If you were to go out of stock on one item versus another, which one would hurt you more? And how long would you stay in a backorder position?' Each factor has different weights associated with it, and the model scores it. And there are a lot of things we can do with that number."

The rank given by IRIS allows DLA Aviation to make disposal decisions based on rebuy considerations, customer support obligations, dollar values and even particular targets, such as low-risk items or any item with more than 10

"Let's say a microcircuit costs \$100," he said. "If we have 100 of them, but only get five demands per year, we would then have 20 years' of stock on hand. Since it's sitting in a bin at DLA Distribution, a storage charge is added, so the actual 20-year cost for this item might really be \$120. So how many microcircuits should we keep? Depending on your risk tolerance and the degree to which you believe current demand rates will extend into the future, you could make arguments ranging from keeping everything to disposing down to a year or two of stock on hand. But if we had to buy it again, would we expend the same amount of money or not? That's what our

economic models look at and where we're trying to find the right balance."

Complicating matters is the agency's new acquisition of service-owned stock from Defense Department components like the Navy's fleet readiness centers. Since fiscal 2012, the military services have transferred more than \$1.2 billion worth of inventory as part of the inventory capitalization and logistics reassignment program, Christensen said.

"We started off this year with a growth of inventory, since items that used to be managed by the Air Force, the Army and the FRCs, have recently been transferred to DLA," he said. "In fiscal 2013, we gained more than \$645 million in new



A convoy of Marine Corps Mine Resistant Ambush Protected vehicles travels in Helmand province, Afghanistan. DLA Land and Maritime is assisting its customers with exclusion reviews as part of an effort to lower its contingency stock on protected items like MRAP parts, which account for \$517 million of DLA Land and Maritime's overall inventory.

years' worth of inventory, Siewert said.

"If an item has an IRIS score of less than 20, then it's easy for me to go after," he said. "But if I have an item that has a score of 80-100, that tells me there are all kinds of red flags with this item, and I should be very leery about getting rid of any of that inventory. By knowing what our concerns are with every item, we can then balance that against all the [weapon system] exclusions and determine what our stock levels should be for every item."

Since its inception, the IRIS model has already helped DLA Aviation find \$2 billion worth of disposals, and DLA Land and Maritime is reviewing it as a method for future inventory-rightsizing efforts, Siewert said.

In addition, a disposal database created in 2012 has helped DLA Aviation track its disposal efforts as the supply chain's reductions reached peak numbers, Siewert said.

"Before, if we had a question on an item that had been disposed of, we'd have to do a search in 50 different files to find out did we even dispose of it? And if so, why?" he said. "So we

# Infrastructure Optimization

**D**LA is working with the military services to consolidate and demolish unneeded warehouses, said Navy Capt. Randy Baker, the program manager for infrastructure optimization in DLA Logistics Operations.

"Through DLA Distribution, we are constantly looking for opportunities to optimize warehouse space," he said. "When we consolidate our inventory and free up a building for return to our military host, my job is to work with the service to demolish the building, which is often not at the top of their priority list."

The process begins with DLA Distribution and other DLA field activities. It's up to officials in those organizations to determine what DLA- and service-owned inventory is needed and where, Baker said. Once that's figured out, the infrastructure is optimized accordingly. Once excess infrastructure is identified, he starts his work with DLA Installation Support and the services on demolition recommendations.

"DLA is just a tenant of the warehouses; the services actually own them," he said. "When DLA no longer have a requirement for a warehouse, DLA returns the warehouse to the services. It is at this point that we, as the last user of the warehouse, work with the services to recommend demolition. We can only recommend which warehouses should be candidates for demolition. The services make their own decisions based on the condition of the facility and future requirements."

Since 2012, DLA's focus on reducing its footprint and maintaining strong partnerships with the military services has resulted in the demolition of 19 buildings, totaling 2.6 million gross square feet, Baker said.

"Most of that demolition was concentrated at DLA's site in the Richmond, Virginia-area," he said. "Now we're working to demolish warehouses at a DLA site in San Joaquin, California, that was returned to the Army in 2013. We are also in the process of demolishing warehouses at a Navy installation in Mechanicsburg, Pennsylvania."

Reducing infrastructure eliminates the Department of Defense's need to maintain the now-empty warehouses, Baker said.

"We're also avoiding the temptation of space creep. Space creep is what happens when you clear out a warehouse and three months later, someone has put stuff back in there. When you have empty space, people have the tendency to want to use it. By getting rid of these warehouses, you can eliminate that problem."

The cost of demolishing buildings can often be offset by recycling scrap items through a contractor, Baker said.

"A lot of the demolition material goes to our contractor, who has been able to reuse and recycle it," he said. "That has helped us keep costs down. In Richmond, some of the recycled and repurposed materials we had were pieces of steel, copper from the pipes, aluminum, brass, blocks of concrete, and dimensional timber. That timber is back from in the 1940s and '50s. You can't get that kind of timber anymore, so it's great for reutilization."

Although progress has been made in both areas, Baker said he expects the reduction of DLA's inventory and infrastructure will continue to be a huge, but not insurmountable, challenge for the agency in the coming years.

"As a joint effort with the inventory, the million dollar question is, 'Where do we expect the inventory to be and how much square footage do we expect that inventory to fill?'" he said. "And we don't have all of those answers yet. It's a slow process, but we're getting there."

— Amanda Neumann



— Photo courtesy of DLA Installation Support San Joaquin, California

created this database where you can throw as many as 20,000 NSNs in there at one time and it will search all of the actions that we've done since the beginning of October 2012. It also gives us the information that we were looking at when we made our decision, like the demand history, the coding and the forecast information, so we can go back to the customer and answer their questions. It's been a lifesaver."

The majority of questions DLA Aviation receives are because most of the services don't know how much inventory DLA actually keeps, Siewert said.

"Most think it's just a little bit above what we would need for our normal requirements objective," he said. "And it's not. For example, I have items that have more than 1,000 years' worth of inventory on hand. And that's simply because five years ago, they needed 1,000 per month. Now that requirement has dropped down to 10 per month. So when you do the math and compare, all of the sudden, we have many more years of inventory on hand than we need. That's why it constantly needs to be reviewed."

DLA Troop Support relies heavily on rightsizing its inventory year-round to help deal with seasonal fluctuations, said Zenowy Bojczuk, a business process analyst in DLA Troop Support.

"In the next few months, our medical [supply chain] is going to be getting \$11 million worth of nerve agent antidote," he said. "And our construction and equipment [supply chain] is receiving \$42 million of inventory from the General Services Administration and another \$10 million from the services. Plus there are always certain things we keep in excess for contingency, like rations, because if we get another natural disaster, we need the inventory. Because some of our inventory is seasonal stock, we have to plan around this additional inventory that's always coming in just to stay ahead of our goal."

In fiscal 2014, DLA Troop Support disposed of \$129 million in inventory. But finding items for disposal isn't always clear-cut, even with thousands of commodities, Bojczuk said.

"When you have an obsolete item, most people think it's easy to dispose of, that we can just throw it away," he said. "But it doesn't work that way. You have to research it, see when it became obsolete and why. A lot of times, when you get into the weeds, it becomes much more complicated. Maybe it's obsolete only because we can't buy it anymore, yet there was demand on it three months ago. That means we may still need it and we wind up having to keep the item. So some



Sailors assigned aboard the USS Ronald Reagan and Japanese relief workers load supplies to support earthquake and tsunami relief efforts near Sendai, Japan. DLA Troop Support counts humanitarian assistance items, such as rations, as part of its contingency retention stock.

things aren't as simple as they may seem."

Long-term contracts have helped DLA Troop Support keep both inventory and budget costs down, Bojczuk said.

"In our case, as long as it's not an excluded item, potential excesses go out to our supply planners to get individually reviewed," he said. "We're constantly pushing for more long-term contracts where we can. They allow us to still satisfy the customer but keep less inventory. Although we're under our goal right now, we've got to continue pushing to keep our numbers in check."

DLA Land and Maritime is assisting its customers with exclusion reviews as

part of an effort to lower its contingency stock, said Shawn Cody, planning division chief for DLA Land and Maritime in Columbus, Ohio.

"Last year, we worked with the Navy to review five major weapon system exclusions, and based on those reviews, we were able to adjust our retention levels and take almost \$75 million worth of disposal actions associated with that protected inventory," he said. "This year, we're working on additional reviews against those same platforms, and we're hoping to again achieve some significant inventory reductions and initiate additional disposals in September."

Other reviews in the works target parts for Mine Resistant Ambush Protected vehicles, which account for \$517 million of DLA Land and Maritime's overall inventory, Cody said.

"Right now, we're trying to make some smart business decisions and minimize the risk associated with our customers," he said. "Last year, we did a significant amount of disposals, about \$1.3 billion, and a lot of that was associated with low-risk material, like obsolete items. Now we're looking at disposing of materials that have had demand within the past three years. So we want to make the right decisions. Not only because we don't want to impact the overall readiness for the MRAP program, but also

because we want to make sure that we don't have to rebuy some of this material at significantly higher prices than what we initially paid for it."

Other planned reductions include an additional \$80 million or more in inventory across potential reutilization stock, contingency retention stock and economic retention stock disposals by September, Cody said.

"The main question is, can we still support the customer in the right manner without having to carry all of that additional inventory and all of the costs associated with it?" he said. "At this time it seems like we can." 

# TIME IS MONEY

Story by Sara Moore

Through teamwork, agencywide collaboration and workforce involvement, the Defense Logistics Agency's Time to Award initiative has made great strides over the past few months, producing notable results in reducing contract award times and standardizing processes.

The initiative, which began in April 2013 with a team of 12 DLA representatives meeting several times a week to improve agency contract award procedures, is now in its implementation phase and is showing positive gains, said Yvette Burke, executive director for DLA Aviation contracting and acquisition management, who is leading the Time to Award initiative.

"I think we're doing very well," Burke said. "The data shows a significant positive change in performance at the enterprise level."

Those metrics, which come from reports from DLA's field activities and measure progress from March to April, showed a 9 percent increase in timeliness of awards for simplified contracts, and a 12 percent increase in timeliness for large contract awards, Burke said. There was also a five-day decrease in automated contract awards, which brings the agency to an

Marine Corps Staff Sgt. Ryan Fromherz loads gear onto a plane in Indianapolis before leaving for Trondheim, Norway. DLA's Time to Award initiative is helping the agency reduce contract processing time, getting supplies to warfighters more quickly and efficiently.

— Photo by Marine Lance Cpl. Marcin Platek



In the past, DLA had engineers, quality assurance specialists and technical specialists, also called equipment specialists. Under the Time to Award initiative, those communities were combined to form the technical quality community, made up of newly designated product specialists.

average of 12 days for that process cycling time, close to the director's goal of 10 days. The 10-day goal was actually an adjustment from a previous goal of 20 days, which the agency "blew away" quickly, she said. The agency also achieved a 13-day decrease in contract award time for simplified manual contracts, and the administrative lead time for large manual contracts is down to 219 days, a 57-day decrease from April 2013, when the initiative launched.

DLA field activities are now implementing new contract award procedures established by the Time to Award initiative, so the original team of 12 representatives is no longer actively working on the effort, Burke said. Instead, DLA Logistics Operations and DLA Acquisition have taken charge of oversight and review of the initiative, and agency Lean Six Sigma black belts are guiding the process. The team working on contract procedures finished its formal work in September 2013, after producing reports on 23 areas that

redesigned the contracting process. The team then worked with DLA Human Resources to turn the reports into formal policy and develop workforce training on the new procedures. That training was conducted in November, and the team members worked with personnel in DLA subordinate commands to develop new performance standards, which will be implemented in the coming months, she said.

After the contracting team finished its work in September 2013, two technical quality teams were formed to go through the same redesign with the technical quality community, which is a new area established under the Time to Award initiative. In the past, DLA had engineers, quality assurance specialists and technical specialists, also called equipment specialists, Burke said. Under the Time to Award initiative, those communities were combined to form the technical quality community, made up of newly designated product specialists.

That redesign process was much the same as the one in the contracting area, with data analysis, process mapping, focus groups and workforce interviews driving the decision making, but lessons learned in the first process made the technical quality redesign go more quickly, said Denise Price, a senior analyst in the continuous process improvement branch in DLA Logistics Operations who is leading the Time to Award implementation.

"I would call it a rapid improvement," Price said. "The big difference with the contracting process [was] we were struggling to get data, but at this juncture with the technical quality redesign, things were so mature that we had data coming out our ears. Not only did we have data to make decisions right away, but we also had data to control the processes at the same time, which has been a real luxury."

Another lesson learned from the contracting process was to engage field activity personnel from the beginning, Burke said. Doing that in the technical quality phase made for speedy improvements and allowed the team to make changes in almost real time, as data came in.

As the Time to Award initiative continues its implementation and review, DLA Director Navy Vice Adm. Mark Harnitchek receives monthly updates on progress, and he tracks the two primary measures of administrative lead time and the number of purchase requests on hand, Burke said. Checking these

Air Force Senior Airman Jacqueline Bongard conducts a contract file review at Eielson Air Force Base, Alaska. DLA's Time to Award initiative is reducing the amount of time the agency spends on the contracting process, making the work of contracting specialists like Bongard more efficient and effective.



Air Force Staff Sgt. Jim Araos



two measurements against each other gives a balanced perspective of how fast contracts are being awarded. She noted that the DLA organizations have worked very well together to arrive at decisions about new processes and communicating the changes to the workforce.

As with any change to workflow and processes, transitioning the workforce to the new practices has required a lot of communication, training and leader involvement, Burke said. As the Time to Award team leaders went out and talked to the workforce, they found employees welcoming the changes, she said. This enthusiasm can probably be attributed to the level of engagement the team had with the workforce while developing the new practices; team members actively sought input from employees about their struggles, frustrations and best practices. In areas where supervisors have been very involved in implementing the new

processes, employees have been even more successful, she said.

"This became more of a team sport, and everybody's working much better together," she said. "It's great to have the workforce with open arms and welcoming the changes."

Under the new contracting procedures, supervisors take a more active role in the work of their employees, helping to empower employees to make decisions at the lowest level possible, Price said.

"The supervisors are really going to have to change their role a little bit to be more integrators of the work than they have in the past," she said. "They have to take a look at how the work is being prioritized on the buyer's desk, the impact of these external requirements, whether they're internal within the [field activities] or whether they have to go outside to the services, and then lastly,

Sailors receive supplies aboard the USS Cape St. George while conducting an underway replenishment with the USNS Charles Drew in the Arabian Sea. DLA is reducing contract processing time through the Time to Award initiative.

not requiring buyers to overprocess or overthink decisions."

Although it may be challenging to implement new practices and adapt to new ways of doing business, reducing the contract award time for DLA is important because it relates to the director's goals of reducing inventory levels and saving money, Burke said. Speeding contract awards means customers get their goods faster, excess inventory doesn't pile up after a customer's needs change, and administrative costs go down, she noted.

"We don't want folks focusing on counting things; we want them to focus on speed, and obviously continued quality," she said. "Quality's inherent in this." ●

# CHARTING NEW COURSES

Story by Beth Reece

**T**he power of conversation is strong at the Defense Logistics Agency, where frequent discussions between agency and industry leaders have led to billions of dollars in savings.

Many critical conversations have come about during annual meetings with industry representatives in all of DLA's supply chains. The meetings comprise the Captains of Industry Program, created in March 2012 to help the agency meet



DLA Director Navy Vice Adm. Mark Harnitcheck's goal of saving \$13 billion through 2019. More than \$8 billion of that is expected to be trimmed from material cost. As of the end of June, Captains of Industry participants had already identified \$1.3 billion in savings and cost avoidances toward the effort.

"We've got some fairly aggressive goals here, and you guys can help us with that because you're part of this big process in terms of proposals and pricing," Harnitcheck said during a recent meeting with aviation suppliers.

He estimated that 60 to 70 percent of new cost-savings ideas are born through the Captains of Industry Program.

The meetings are held in a three-hour roundtable format that encourages open discussion between DLA leaders and current and potential industry partners, as well as military leaders who attend to share their perspectives on changing demands from the military services. Separate events are held once a year for each of DLA's diverse supply chains, allowing participants to focus on finding efficiencies that apply to specific commodities.

Recent savings identified through the program range from the elimination of unproductive processes to increased use of performance-based logistics, said Navy Cdr. Steven Boycourt, who helps manage the program for DLA Acquisition. The performance-based logistics concept gives contractors partial responsibility for material readiness and typically reduces

**Captains of Industry** meetings are held annually for each of DLA's supply chains and bring together DLA leaders and current and potential industry partners in a roundtable setting in which participants can discuss better ways of doing business.



Tedora Mocanu



Air Force Airman 1st Class Jonathon Alderman

Air Force Airman 1st Class Calvin Bessette inspects a part from an F-16 Fighting Falcon. DLA has worked with manufacturers to get better prices for aviation repair parts.

repair time and costs to the military.

Discussions on aviation repair parts led to new PBL contracts with Boeing, Honeywell, Raytheon and other manufacturers and resulted in \$659 million in savings, for example.

In the 2013 meeting highlighting subsistence, vendors explained that commercial customers typically use much smaller food catalogs than military customers, so DLA Troop Support worked with vendors to reduce the number of types of items available via catalog by 52 percent. The effort saved money and made managing orders easier for vendors.

“This was one of the things that you guys suggested to us in terms of keeping the food quality great but taking some cost out. You told us that most of your commercial customers don’t have nearly the size of catalogs that we have. It’s not like we’ve gone to just one of everything, but a few of everything instead of 15 of everything. It makes your job a little easier in terms of management, and there’s some savings there as well,” Harnitcheck told vendors in May.

When DLA leaders last met with bulk petroleum suppliers, they discovered procedures for filling fuel tanks still included obsolete military-specification requirements, thereby raising contract costs unnecessarily. DLA Energy worked with industry representatives to align government and commercial standards. The result was increased competition and a possible \$35 million annual savings in fuel costs, officials said.

The Captains of Industry Program has also paved the way for collaboration between DLA and medical and pharmaceutical prime vendors. The agency is partnering with medical and surgical supplies distributor



Air Force Staff Sgt. Amber Lloyd scans medications at the pharmacy at Ellsworth Air Force Base, South Dakota. DLA's Captains of Industry Program has enabled the agency to get better prices on medical and pharmaceutical items.

Boycourt said. "So even though there is direct competition, there's a lot of potential for partnership and collaboration."

DLA is also able to better monitor industrial health through the Captains of Industry Program because participants range from original equipment manufacturers to small businesses owned by minorities and service-disabled veterans.

"A lot of these companies exist only to fill orders by the U.S. government, such as those that make uniforms, uniform insignia and boots. If these companies weren't in business, we'd have a hard time meeting requirements for military-specific gear," Boycourt added.

While the program has led to improvements for DLA and vendors alike, customers are the main benefactors.

"We pass these savings directly back to our customer through reduced material costs and recovery rates. That's what this is all about," he said. 

Owens & Minor on commercial price benchmarking, an effort that includes working with the vendor base during negotiations to reduce the cost of material as well as tracking and evaluating Defense Department pricing strategies against industry best practices.

Industry representatives were initially wary of sharing information in the Captains of Industry meetings because they feared giving too much away to competitors and worried that DLA would shrink their profits, Boycourt said.

"Now that we're into the third year, folks are opening up a lot more and sharing the great things they've done to win multiyear, multimillion-dollar contracts with us. It shows other vendors the possibilities when they come up with their own good ideas to cut costs and work more efficiently," he added.

The dialog has become so intense in recent meetings that participants frequently go over the three-hour schedule. And while early meetings usually followed a script of DLA-led briefings, today they are widely used by vendors giving formal presentations on specific ways they can help the agency save more money. Food Services Inc. representatives have described how it's exploring methods of combining loads of similar products provided by different suppliers to save container shipping costs, for example. And Ebrex Food Services

Dining facility managers now have an easier time ordering food items thanks to DLA Troop Support's work with prime vendors to streamline catalogs and save money, an effort that resulted from the 2013 Captains of Industry meeting highlighting subsistence.

is determining whether it can decrease operating costs by integrating dining facility menus among all the services.

"We've had folks volunteer to give us their expertise, and we've also had companies come in and talk about the strides they've made that are external to us. It generates a lot of discussion and new ideas that we hadn't thought of before," Boycourt said.

The meetings have also shed light on the fact that, while many companies are regarded as competitors to one another, some are actually partners, as well.

"In many of our supply chains, one company may supply the commodity while another one supplies the transportation. Or one company might supply the packaging and another company provides transportation or the commodity,"



# THE BOTTOM DOLLAR VALUE

Story by Navy Petty Officer 1st Class Daniel Garas

In a time of fiscal caution, buyers want to ensure they're getting the best product for the best value. The traditional process of comparing prices with numerous vendors is economical, but time consuming. A DLA initiative known as reverse auctions is helping bring new suppliers to the agency's customers while ensuring they still get the lowest price.

Typical auctions reward the bidder willing to pay the highest price, but reverse auctions have vendors bid down to the lowest price to win a contract. The result is that DLA is able to provide services and products at the best price possible.

"It's a great way to save money for the

taxpayers and to engage with our supplier base," said Charles Howerton, DLA's reverse auction program manager.

The program traces its origins to 2009, when Howerton was contacted by DLA Troop Support representatives asking to piggyback off of a Navy contract to perform a reverse auction.

"They called headquarters and said, 'Hey, can we do this?'" Howerton said. "Ever since then, reverse auctions have been a strong success story for DLA, and it's gotten stronger over time."

Glenn Starks, division chief for DLA Acquisition Programs, said reverse auctions also support contracting specialists who previously relied on

vendors to quote an accurate market value. The open market bidding of the initiative means the true market is based purely on competition.

"You are getting a realistic quote on what that market item price really is," Starks said. "When the market forces vendors to compete against one another, they're going to be more realistic, because they all know the true market value and what the real costs of the items are."

The program's success has had a big economic impact. Reverse auctions have saved DLA \$2.2 billion dollars since their implementation in 2012.

Starks explained that commercial items with strong price histories and multiple manufacturers make good candidates for reverse auctions. He added that while reverse auctions are not used as heavily for services contracts, that option is being analyzed for greater use in the near future.

Customers aren't the only ones who benefit from the deal. Howerton said businesses that understand their costs and know their bottom line could profit tremendously.

Starks explained that reverse auctions also give smaller vendors a chance to compete at a federal level.

Air Force Tech. Sgt. Edgar Miller packs his mobility bag with body armor. DLA's reverse auction program has saved more than \$2.2 billion since its implementation in 2012 and allows for a wider variety of vendors to keep troops supplied with essentials like personal gear, body armor and equipment.



# REVERSE AUCTIONS



Reverse auctions use a Web-based pricing tool that fosters competition between contractors to reduce the price the government pays for a particular item. By requesting items from multiple suppliers, DLA is able to get those suppliers to bid against each other to offer the best price for the item.

"In the old environment, a large business could basically run a small business out just by coming in with a really low price," he said. "But now, everyone can see what the actual price being bid is, so it really gives them openness and transparency with one another."

Howerton said he believes this transparency breaks down barriers that previously kept small suppliers from competing on a larger scale.

"If you're a supplier that's hungry ... to reduce your costs, reverse auctions are the way to go," Howerton said. "It levels the playing field."

DLA begins a reverse auction by announcing a solicitation online. After the agency sets up a date, time and link, suppliers log into an application that allows them to track the auction and place bids.

Howerton said auctions last about 30 minutes on average and that the most

successful suppliers are those that know their break-even point and pricing and come ready to negotiate.

"You've got to get in there and give it your best," he said. "If you're prepared, you can take advantage of a competitor's lack of preparation."

***You've got to get in there and give it your best. If you're prepared, you can take advantage of a competitor's lack of preparation.***

*— Charles Howerton*

Similar auctions hosted and controlled by third-party vendors for other agencies can lead to additional costs, but DLA conducts its own auctions.

"Our auctions are 100 percent conducted and controlled by our government contracting specialists," Starks said. "We're doing all the work, so we really are saving a lot of money."

DLA also offers training to both its own employees and private industry representatives to keep the rapid pace of the auctions from intimidating new suppliers and limiting the number of bidders, Starks said.

"We actually walk them through a mock auction to show them how it works

before we do a live one," he said.

DLA also holds biweekly conference calls with buyers at the agency's field activities to ensure their personnel are trained on how to use reverse auctions and share best practices.

"If one activity learns a good practice or tool, we share that with everybody so that everyone can learn the same thing," Howerton said. "That helps everyone get the most out of reverse auctions."

Howerton said he believes the flexibility, structure and transparency of reverse auctions are a win-win for everyone involved. Suppliers benefit because they get a fair shot at quoting on the price, and they know what their competitors are bidding, as well. This means DLA gets products at the lowest price.

"This is the perfect opportunity for suppliers, if they're efficient, to get that business," he said. "In a competitive environment, they can benefit from this kind of situation." ♦

Marine Corps recruit Erika Esparza holds up her newly issued equipment shortly after arriving for boot camp. The open-market bidding process of reverse auctions drives down costs on items troops may find in their everyday gear issue.



Marine Lance Cpl. Vaniah Temple

# *A Conversation with...*

# Navy Vice Adm. Mark Harnitchek

DLA's director talks about the agency's accomplishments during his tenure.

***Since you first took over, you've referred to DLA in large terms – from its "colossal" mission to your directive to "go big and go early." What is it about the agency and its missions that makes that comparison so accurate?***

I've always thought of DLA as a monster of an outfit because of the gargantuan missions we take in stride and overcome.

Look at some of the recent ones – our response to Hurricane Sandy, our efforts to put money back in our customers' pockets without skipping a beat in the services we provide, and all the work we've done to get equipment in and then out of Iraq and Afghanistan – and you can see that DLA doesn't back down from huge, complex logistics challenges. No one

knows this stuff better than us, and the DLA team acts like it every time it's called upon. The team simply says, "We can, we will," and then succeeds.

***In your time here, what do you look at as DLA's big moments?***

How we respond in adverse conditions has always resulted in big moments for us. We do things that astound me and leaders across our organization daily. When Pakistan closed its borders to movement into Afghanistan, how we responded made it almost invisible on the ground that one of our major supply lines had closed. Sandy was another example. We just had the DLA Energy change of command in July, and I highlighted how we responded when we were asked to provide fuel to gas stations in New York and New Jersey. We just said, "Sure, we can do that," and we had no idea how. But we figured it out and helped get people on the East Coast back on their feet one mission at a time.



DLA Director Navy Vice Adm. Mark Harnitchek.

**What do you think are some of the biggest challenges the agency has faced during your time as its director?**

Adjusting to changing how we do business. I think that's the hardest thing for any of us to do personally. We all have patterns in our lives, and it can be tough to change from the routine and try something new. We've done a great job focusing on our "Big Ideas" – finding \$13 billion in savings that we can give back to the services is no small task, but we're doing it. Across the agency, folks have risen to the challenge and found ways where we can do things more efficiently and stop doing things that don't add value.

**You've often said that nothing keeps you up at night, because you know DLA's workforce can handle anything. How does that help when a new challenge – be it a hurricane or a government shutdown – surfaces?**

It's true, I say that all the time. I also follow it up with it's the DLA workforce that gives me that tremendous

confidence. One of the things that comes with doing military logistics for over 37 years is knowing "what right looks like." And DLA not only looks right, it is right in terms of an organization that can handle any logistics challenge anytime, anywhere. So having the great honor of leading an organization like DLA, I simply don't spend a second worrying about the next crisis or challenge. And I don't worry because I know DLA and our partners in the Log Nation will simply figure it out.

**In your 2014 Director's Guidance, you wrote, "We are living in historic times ... doing things we've never done before ... make some history yourself." What mark do you hope you are leaving on DLA?**

I hope that I have left the agency in a position to adapt to the changing environment more quickly. I know we have shown we are more than capable of responding to crisis situations, and in fact we do this in our day-to-day business. I believe I am leaving the agency

with a culture of professional logisticians that know their business better than anyone in the world, and they are ready to prove it on any given day.

**Where do you think the agency is going over the next five to 10 years?**

We need to continue our unrelenting focus on delighting our customers, on being ready in the increasingly uncertain joint operating environment and on driving out cost.

**Is there anything else you'd like to talk about?**

My time at DLA has been a pivotal time in military logistics, and I want to give special thanks and recognition to our civil servants. When you look at the big DoD logistics organizations like DLA, it's our great civilian logisticians who know this business, who understand it and know how to operate it so great things happen. So "Bravo Zulu" to all my civilian shipmates at DLA and throughout the Log Nation. Thanks and good on you!

"My time at DLA has been a pivotal time in military logistics, and I want to give special thanks and recognition to our civil servants. When you look at the big DoD logistics organizations like DLA, it's our great civilian logisticians who know this business, who understand it and know how to operate it so great things happen."

— Vice Adm. Mark Harnitchek

# STANDARDIZING SUPPORT

Story by Amanda Neumann

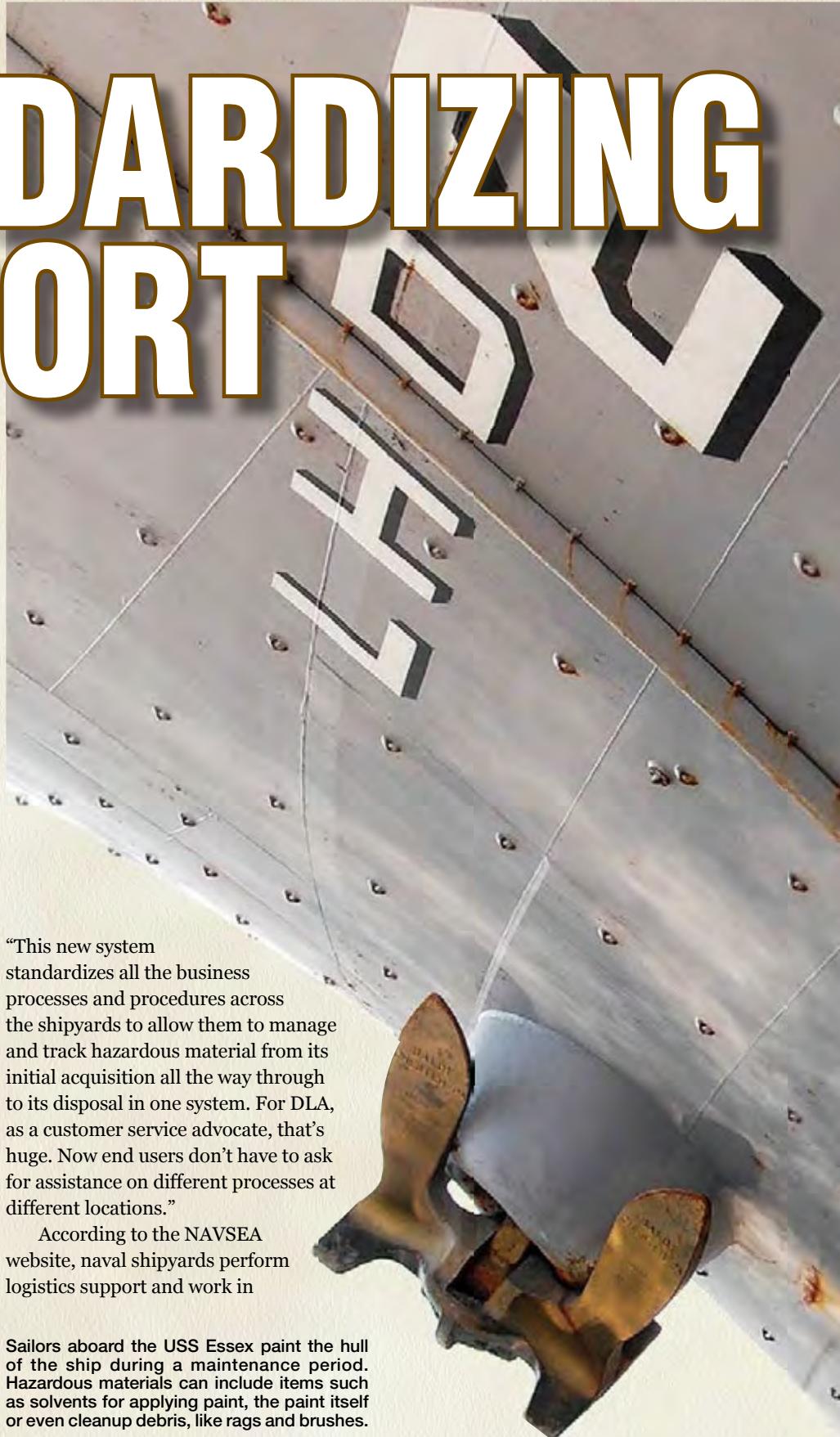
**A** partnership between the Defense Logistics Agency and Naval Sea Systems Command has helped implement a new system for managing hazardous materials and waste compliance reporting at four naval shipyards.

The Hazardous Material Management System replaced the Navy's hazardous materials and hazardous waste system that was being retired, said Carolyn Liebeck, program manager for chemical management services in DLA Logistics Operations. DLA took responsibility for this mission as part of the Base Realignment and Closure Act of 2005.

"This was a huge endeavor," she said. "These shipyards are the four largest industrial sites for the Navy; they're massive facilities. So the partnership and teamwork with NAVSEA was essential in making this program a success."

NAVSEA's four shipyards are Norfolk Naval Shipyard in Portsmouth, Virginia; Pearl Harbor Naval Shipyard and Intermediate Maintenance Facility in Hawaii; Portsmouth Naval Shipyard in Kittery, Maine; and Puget Sound Naval Shipyard and Intermediate Maintenance Facility in Bremerton, Washington, said Navy Capt. Michael Renegar, the former head of the shipyard material program at NAVSEA, who retired in July.

"Each of the shipyards was basically an individual project in itself," he said.



"This new system standardizes all the business processes and procedures across the shipyards to allow them to manage and track hazardous material from its initial acquisition all the way through to its disposal in one system. For DLA, as a customer service advocate, that's huge. Now end users don't have to ask for assistance on different processes at different locations."

According to the NAVSEA website, naval shipyards perform logistics support and work in

Sailors aboard the USS Essex paint the hull of the ship during a maintenance period. Hazardous materials can include items such as solvents for applying paint, the paint itself or even cleanup debris, like rags and brushes.

— Photo by Navy Petty Officer 2nd Class Frank Andrews



Navy Seaman Joseph Engle paints a bulkhead in the upper vehicle deck aboard the USS Boxer. Maintenance shops at shipyards can now request reports to see what hazardous material they have using the Navy's new Hazardous Material Management System.

— Photo by Navy Petty Officer 3rd Class Robert R. Sanchez





Navy Seaman Veronica Mammma

Navy Seaman Quevaris Brigman paints a bulkhead in the hangar bay aboard the USS Boxer. The Navy's new Hazardous Material Management System can manage and track hazardous material from its initial acquisition to its disposal in one system.

connection with ship conversion, overhaul, repair, alternation, dry docking, outfitting, manufacturing, recycling, research, redevelopment and test work. This kind of work often requires materials that are considered hazardous, such as paints, adhesives and oils, Renegar said.

"Each of the shipyards has federal, state and Environmental Protection Agency standards and protocols they have to follow on hazardous materials," he said. "Now, [the Hazardous Material Management System] allows them to have more accountability and visibility

of all of the hazardous material on the shipyard, not just what's in the storage warehouse, but even what's stored in the end users' lockers too."

Before the project started, a testing phase was conducted to ensure that HMMS would be able to meet each shipyard's requirements, Renegar said. Site visits were conducted and hands-on training was provided to users at each location. Data from the old system was then migrated into HMMS before the system went live at each of the sites a few days later.

"Three shipyards were basically being worked on at one time," he said. "The challenge was getting one started, then bringing the next one online to shadow, while still working with the completed one on follow-up. So there was a lot of strategic planning and communication with the key players involved to ensure the successful implementation of the project at each location."

Weekly calls were held with stakeholders at each shipyard during the 15-month project, which ended with the last, Norfolk Naval Shipyard, going live April 25, Liebeck said.

"We had calls on a weekly basis so we could capitalize on lessons learned from each shipyard going forward," she said. "During the project, [our contractor] brought in a 'tiger team' to re-label all the items in the warehouse and the waterfront lockers. We also hired a [computer technician] to stay on each site for a year to help with the system functionality and user questions."

Dacia Long, a hazardous material manager in DLA Distribution, works with the Hazardous Material Management

System at the Norfolk Naval Shipyard.

"We receive the hazardous material, then the other half of the warehouse processes it and puts the hazardous labels on it," she said. "We then store it in the warehouse until the shipyard needs it. From that point onward, we track it throughout the shipyard using HMMS until it is disposed of or used up. Then it gets handled by the [environmental operations branch of the] shipyard."

As one of the largest naval bases in the world, Norfolk Naval Shipyard sends almost 1 million pounds of hazardous waste off-site a year, said Amos Webb, environmental operations branch head for the Navy. He said the Hazardous Material Management System has allowed his office to do several things they could not do in the past with the old system.

"For us, the real benefit has been the ability for everyone to be able to utilize HMMS to extract data," he said. "That was very, very limited with our other system to only one to two people at a site. Now one of the big things that we're working toward is printing all of our labels for our waste containers, which our old system didn't support. In a lot of cases, we're hoping to be able to use the information on the container number to figure out where the material came from, thereby figuring out how much it costs to do certain activities."

Norfolk Naval Shipyard's work on the nuclear-powered fleet is a 24/7 operation, Webb said, and usually averages 10 containers of hazardous waste per day.

"When maintaining ships, it can be items like solvents for applying paint, the paint itself or the cleanup debris, like rags and brushes that would be waste at the end of the day," he said. "It's important that as soon as a waste container is full and turned in, we begin the process of shipping it out. HMMS also helps us with that. The two important things you have to properly identify are what it is and when it was generated or put into storage. Previously, human error was always an issue. You would look at two containers



Hazardous materials at Norfolk Naval Shipyard in Portsmouth, Virginia, sit in a warehouse before use. As one of the largest naval bases in the world, Norfolk Naval Shipyard sends almost 1 million pounds of hazardous waste off-site a year.

named the same thing with different underlying data. Now with HMMS, that has been done away with."

William Fales, a DLA Land and Maritime Storage Branch manager, uses the new system to track hazardous materials at Portsmouth Naval Shipyard. He said maintenance shops on the shipyard, and sometimes the mechanics themselves, will often request reports to see what hazardous material they have in their possession.

"In June, we had more than 9,200 individual pieces of hazardous material in use out in the shipyard," he said. "Since [the Hazardous Material Management System] helps us keep an accurate inventory, we can pull up those reconciliation reports and find that information out when requested. It's been great. HMMS has gone above and beyond

what we thought it could be used for."

Tim Dunn, an environmental management program manager, served as the Navy's lead for the Hazardous Material Management System implementation effort at Portsmouth Naval Shipyard. He said several internal changes made in advance helped ease the transition for shipyard employees.

"First, we had to learn new terminology for a lot of the items associated with HMMS," he said. "We also had to do a lot of cleanup from our old system since that information was later used to populate HMMS. And there were a lot of data migration errors that we had to troubleshoot through. But all of that actually helped us in the long run because it allowed us to make policy decisions that we hadn't thought of before the HMMS implementation."

Part of Portsmouth's implementation

*"For us, HMMS really came about at a good time. We were already focusing on hazardous materials, but HMMS allowed us to tighten that focus."*

— Tim Dunn

included re-barcoding all of the shipyard's hazardous materials on-site, including 40,000 items sitting in warehouses and 5,000 individual items located in the shipyard's waterfront lockers, he said.

"It was a challenge," Dunn said. "With more than 121,000 pounds of new hazardous material received every year, it was important for us to get the stuff out in the shipyard done quickly and then work on the bulk of the material, which were the items in the warehouse. For us, HMMS really came about at a good time. We were already focusing on

hazardous materials, but HMMS allowed us to tighten that focus."

Other systemwide benefits of the Hazardous Material Management System, including a streamlined process for generating reports and a significant cost savings over the previous system, have made HMMS an all-around asset for both DLA and NAVSEA personnel, Liebeck said.

"As a partnership between NAVSEA headquarters and DLA Headquarters, it was a huge success for both of us to turn something like this around in 15 months," she said. "It was a constant movement back and forth. But our partnership was phenomenal. We both had the end state in mind and said we will successfully achieve this, no matter what. And we did." ★

Shipyards such as Pearl Harbor Naval Shipyard perform logistics support and work in connection with ship construction, conversion, overhaul, repair, alteration, dry docking, outfitting, manufacturing research, redevelopment and test work. This work often requires the use of hazardous materials that can now be tracked through the Navy's new Hazardous Material Management System.





# COMBAT CHOW

Story by Beth Reece

**M**ilitary rations and mess halls have drawn plenty of criticism from troops yearning for the home-cooked meals they grew up eating. But some have savored military cuisine, such as Sgt. Phillip Aquila, an Italian-American from New York who served during World War II.

"It just burns me up when people squawk about Army food," Aquila wrote to his sister during the war. In another letter home he bragged about eating "a nice piece of steak." And while his family celebrated Thanksgiving 1944 with chicken, potatoes and soup, Aquila enjoyed turkey and was offered more trimmings than he could pile onto his plate.

"Soldiers stationed stateside were very well provided for then, even though American families were dealing with the Great Depression and food was rationed. In fact, many Army recruits gained so much weight during basic training they needed new clothes afterward," said Chrissie Reilly, one of two historians recently hired to archive the Defense Logistics Agency's history and support historical projects at all of the agency's field activities.

Menus and rations have changed throughout the years, but the problems of supplying food to service members are the same today as they were during the Revolutionary War, Reilly said.

"We still have to figure out how to get food from point A to point B, and perishability is still a big challenge. The bottom line is everyone needs food; you can only go so long without eating," she added.

**Union Army Provost Marshall Capt. J. W. Forsyth sits on a crate of hardtack, a cracker-like bread served to Soldiers during the Civil War.**

— Library of Congress Photo



## COMBAT CHOW MILESTONES

A look at the evolution of combat rations used by the United States military through the past 239 years.

First U.S. Army ration established by congressional resolution — enough food for one person for one day.

1775

In 1785, the spirit ration was established at 4 ounces of rum.

1800

1800s: Airtight tin food preservation invented.

Military leaders have always recognized the connection between service members' morale and how well they're fed, but providing food during the Revolutionary and Civil wars was more about basic sustenance than pleasing palates.

After years of unsuccessfully counting on the colonies to provide food for their own militias, Gen. George Washington appointed a commissary general to oversee procurement and distribution. And in 1775, the Continental Congress established a per person

daily allowance of 16 ounces of beef, 18 ounces of flour, 16 ounces of milk, 6.8 ounces of peas, 1.4 ounces of rice and 1 quart of spruce beer. Troops didn't always get their daily ration, however.

"They had bad winter weather. And while farmlands and food were plentiful in nearby Lancaster, Pennsylvania, the Army didn't have enough wagons to make the three-

day ride to deliver it to Washington's troops at Valley Forge," Reilly said.

Some troops had to hunt for their food. Others relied on civilian merchants who set up small stores outside of Army posts or away from defense lines.

By the Civil War, troop rations grew to include coffee, sugar, potatoes, yeast powder and pepper. But inadequate supplies and inconsistent delivery continued. Hardtack, an inexpensive, long-lasting cracker made from flour and water, became a staple food that troops jokingly called "digestible leather" and "teeth dullers." Soldiers who tried softening it with coffee typically found bugs floating to the top of their tin cups.

"At that time, troops didn't always have the option to not eat something just because it was spoiled. If all they had was beef with worms in it or hardtack infested with insects, they ate it," Reilly said. "Food was meant to be sustenance; how it tasted didn't really matter."

The Union Army had experienced quartermasters, more food production facilities than the Confederate Army, and established infrastructure for moving food.

1825

In 1832, the spirit ration was replaced with a ration of coffee and sugar.

1850



George Washington's mess kit is one of the artifacts in the Smithsonian Institution's Museum of American History. Revolutionary War-era Soldiers would have carried their own plates, cups and utensils.

Improved quality rations made their debut on the battlefields in World War I, which also brought larger troop

movements and the need to send supplies overseas. The Army developed specialized rations, including the emergency ration and trench ration. The trench ration included enough canned bread and meat to feed 25 men for a day, as well as sugar, salt, coffee and cigarettes. It was packed in large, galvanized containers and could be prepared as a hot or cold meal. The emergency ration was carried by troops to use when no other food was available and contained three 3-ounce cakes of beef powder and wheat along with a 31-ounce chocolate bar.

A nationwide food shortage and the United States' need to supply food to allies made it hard for the military to get enough

Army Master Sgt. Victor Horwath, from the 174th Infantry, New York National Guard, tests the Army's new C-ration in 1940.

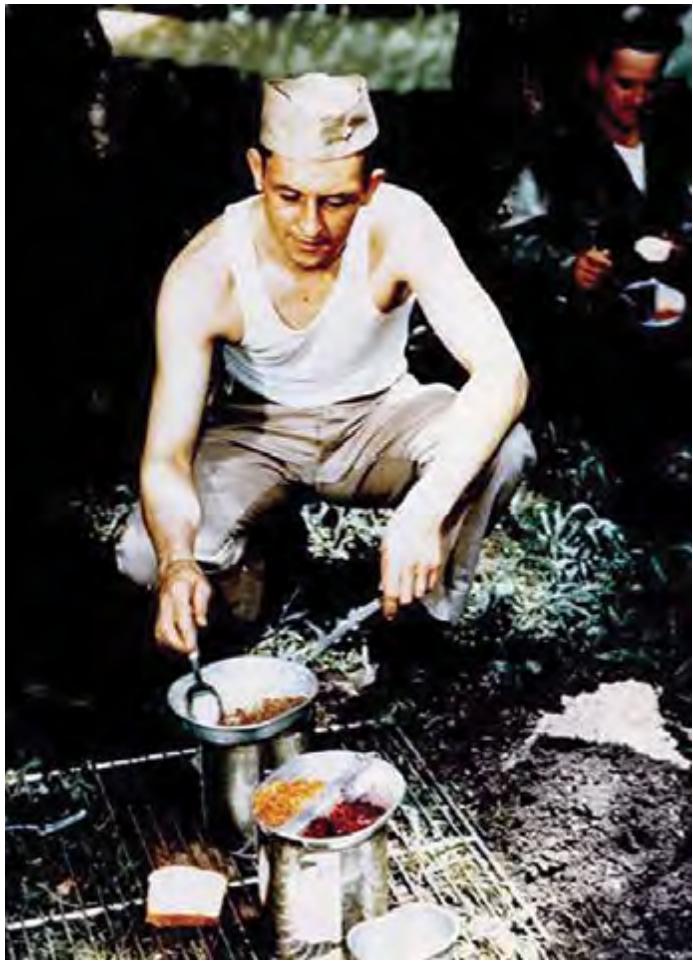


Canned goods are introduced.

Although canned foods were no longer a new item by the 1860s, their use was still novel and not widespread.

The U.S. military introduces the travel ration, a self-contained standard ration containing meat, hard bread, coffee and sugar.

1875



National Archives

A Soldier provides a cooking demonstration stateside during World War II.

of it to the front lines, Reilly said, so President Woodrow Wilson created the U.S. Food Administration.

"This was a unique program, because it appealed to the American spirit of volunteerism and asked Americans to give up meat, wheat, sugar and fat to ensure there was enough for the armed forces," she said.

Citizens were asked to grow as much of their own food as possible.

"If people weren't buying it, there'd be more available for the military, and because there was less demand, they could get it at a better price," she added.

The military began storing food in warehouses and depots after World War I for use in stateside dining facilities. With the impending threat of World

War II, it also began developing more than 20 versions of field rations that could be used when field kitchens weren't practical. Among the best-known were C- and K-rations. The first C-rations consisted of six cans and included precooked meat, vegetables, crackers, sugar and coffee. They were bulky and cumbersome for troops who depended on mobility for survival, so the pocket-sized K-ration was later introduced.

Field rations were becoming standard battlefield fare, and most dining facilities were steadily stocked, but wartime needs were so great that American families were issued ration books that limited the amount of goods they could buy. The "Signal Corps Message," a weekly newspaper at Fort Monmouth, New Jersey, reported that the Army alone received 15 percent of all the food in the nation during 1944.

"Citizens were told it was their patriotic duty to make sure those who were fighting the war had the best food available," Reilly said.

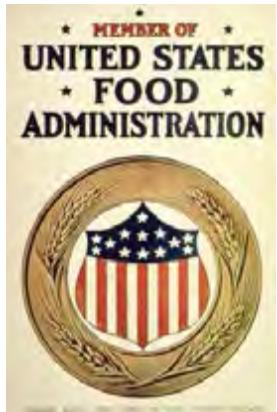
Just before Thanksgiving 1944, the War Food Administration restricted the sale of turkeys to civilians until the military bought what it wanted.

By the middle of the war, Hormel Foods was producing 15 million cans of a precooked meat called Spam for the military. Troops often griped about its abundance, and in 1966, retired Army Gen. Dwight D. Eisenhower wrote this to Hormel: "I ate my share of Spam along with millions of soldiers. I'll even confess to a few unkind remarks about it. As former commander in chief, I officially forgive you your only sin: sending us so much of it."

Spam was an ideal combat ration, because it was prepackaged, easy to ship and stayed fresh for months, Reilly said.

Although the military increased research on battlefield nutrition, Korean War troops were mostly stuck with C-rations, which had evolved to cans of spaghetti and meatballs, beef stew, or franks and beans; hard bread; crackers; chocolate or hard candy; cigarettes; chewing gum; and coffee. Canned fruit and cakes were sometimes added.

The effort to procure perishable food and rations was started in 1953 by the newly established Defense Subsistence Supply Center, which became part of the Defense Supply Agency in 1961. Food logisticians were



Rations change little from the late 1800s. Canned meat, hard bread, coffee and sugar remain the staples of Soldiers' ration.

1900 The United States Food Administration was established in 1917 to oversee food reserves.

1930s: Hormel introduces Spam.

1925

C-ration, or combat ration, begins development. Ration components remain the same, packed in a box for Soldiers to carry.

Korean War Soldiers use mainly B-rations and leftover C-rations from WWII.

1950

The Army issues the newly developed MCI – Meal, Combat, Individual – to each Soldier.

Today's MREs contain entrees ranging from cheese tortellini to southwest beef with black beans. They also come in kosher and vegetarian versions.

especially tested with the military buildup in Vietnam, because there was no clearly defined fighting front. They worked with American manufacturers to develop mobile kitchen trailers that allowed troops to carry food with them.

The Defense Subsistence Supply Center also focused on providing food to all branches of the military instead of just a single service, a mission fulfilled today by DLA Troop Support.

Troops involved in operations Desert Storm and Desert Shield in the early 1990s were the first to deploy with ready-to-eat meals known as MREs. The first MREs included one of more than a dozen main courses such as ham, chicken loaf, pork patties, and beef slices in barbecue sauce. They were nicknamed "meals rejected by the enemy," but were updated with new items according to service members' likes and dislikes. Today's MREs contain entrees like cheese tortellini, and southwest beef with black beans. They also come in kosher and vegetarian versions and include brand-name items such as M&Ms and Tabasco sauce.

Food service support greatly changed in 1993 when DLA implemented the prime vendor program, which instantly saved



money by reducing storage requirements and spoilage costs for the entire Defense Department.

The program currently uses more than 40 commercial distributors, such as those who deliver to grocery stores and restaurants, to

deliver food and beverages to service members stationed throughout the world.

"Before we went with the prime vendor program, we had businesses that existed for the sole purpose of providing food to the military. They didn't have a commercial outlet for their products, so they didn't look like commercial products or taste like commercial products," said Rich Faso, director of customer operations for DLA Troop Support Subsistence.

Variety was also limited, and customers were lucky to get even a single item added every six months, he said.

"Now customers can order new items every week if they want. It's understood that if they want something, we'll get it for them," Faso continued.

While DLA works closely with customers to ensure more health-conscious foods are available, the agency also partners with the Combat Feeding Directorate at Natick, Massachusetts, during the development and testing of new rations. Among items being tested now is one that troops have requested for years: a pizza entrée for MREs.

"It's in prototype right now, but we've got to be careful, because everybody has an expectation of pizza. You're not going to fool anybody by pushing out a cardboard triangle with some tomato sauce on it," Faso said.

The desire to give service members food they want to eat is stronger than ever, Reilly added.

"It took time for technology to catch up," she said. "And now we have professional tasters who evaluate food for palatability and texture. It's all about giving troops food that's good for them that they actually want to eat." ☀

Service members in locations such as Afghanistan typically have access to hot meals at indoor dining facilities that serve a variety of entrees for breakfast, lunch and dinner.

Air Force Senior Airman Wesley Farnsworth



The MRE – Meal, Ready-to-Eat – is developed.

1975

The Fielded Individual Ration Improvement Program changed the menu of rations each year and expanded the number of meals available.

1993: Flameless Ration Heater debuted.

2000

2008: First Strike Ration developed.

Present



The DLA History Office contributed to this article. It provides historical support to all of the agency's activities. It assists field activities with historical projects, compiles and publishes annual histories, conducts oral history interviews, collects historical documents and organizes them in archives, and conducts leader development activities such as senior leader staff rides.

To contact the DLA History Office:  
history@dla.mil



# I AM

# DLA

**My name is:**

Navy Petty Officer 2nd Class Faye S. Roque.

**I am (job title):**

A Navy Reserve logistics specialist with DLA Disposition Services.

**Describe your job in a sentence:**

*I provide assistance managing, segregating and disposing of materials in Afghanistan.*

**How long have you worked for DLA?**

*More than five years.*

**What is your favorite thing about working for DLA?**

*Working with individuals who willingly share their knowledge, talents and expertise in different divisions and aspects to understand the purpose of the mission, and providing assistance to our warfighters.*

**What is your best memory of working for DLA?**

*I have numerous memories: working and integrating with other branches of the military; the opportunity to learn how to operate computer programs and have the ability to perform hands-on training on various machines operated by DLA and the “family concept” addressed by DLA, which constitutes securing your safety and your loved ones while performing your duties in Afghanistan.*

**How do you make a difference to warfighters?**

*By carrying out the whole mission of DLA with pride and enthusiasm in a Navy uniform.*



Faye S. Roque